

**STATEMENT OF JOHN BOLLINGER,
DEPUTY EXECUTIVE DIRECTOR,
PARALYZED VETERANS OF AMERICA
BEFORE THE HOUSE COMMITTEE ON VETERANS' AFFAIRS,
SUBCOMMITTEE ON DISABILITY ASSISTANCE AND
MEMORIAL AFFAIRS
CONCERNING
THE "SERVICEMEMBERS' GROUP LIFE INSURANCE
ENHANCEMENT ACT OF 2005"
THE TRAUMATIC INJURY PROTECTION PROVISIONS OF P.L. 109-13,
AND
H.R. 1618, THE "WOUNDED WARRIOR SERVICEMEMBERS' GROUP
DISABILITY INSURANCE ACT OF 2005"**

JUNE 16, 2005

EXECUTIVE SUMMARY

The “Servicemembers Group Life Insurance Enhancement Act”

- Requires the Secretary of Defense to notify the servicemembers’ spouse or next of kin if he or she executes certain options in the life insurance plan.
- We believe that this legislation is unnecessary because the servicemember has the individual right to make any election he or she chooses with regards to the life insurance plan.
- PVA does not object to the legislation.

Traumatic Injury Protection Provisions of P.L. 109-13

- The legislation was meant to help servicemembers who incur a severe disability while serving this country to overcome the financial hardship placed on them and their families while they are undergoing medical treatment and rehabilitation.
- We believe that helping these severely injured men and women overcome the financial strain of their situation is an obligation of the federal government.
 - We oppose any the provisions requiring the servicemember to pay a premium for this coverage.

H.R. 1618, the “Wounded Warrior Servicemembers’ Group Disability Insurance Act”

- This legislation would allow a servicemember to purchase individual catastrophic disability insurance.
- This is yet one more attempt of the federal government to relieve itself of its responsibility to these young men and women.
- We oppose this approach to providing financial assistance to the severely disabled servicemen and women.
- The uncertainty of the cost of this coverage would surely affect participation in the plan leaving many catastrophically injured servicemen and women without coverage or carrying a larger burden for the.

Recommendations

- DOD should create a benefit much like the death gratuity for those servicemembers who incur a severe injury.
- Another solution can be achieved through the creation of an additional tier of emergency pay and allowances, much like other types of special pays, which should be provided to all service personnel who incur a significant disability and not just those who choose to pay for their own disability insurance coverage.
- These solutions would reflect the federal government’s continuing obligation to take care of severely injured servicemembers and their families.

Chairman Miller, Ranking Member Berkley, members of the Subcommittee, Paralyzed Veterans of America (PVA) would like to thank you for the opportunity to testify today on draft legislation, the “Servicemembers’ Group Life Insurance Enhancement Act of 2005,” on the Traumatic Injury Protection provisions of P.L. 109-13, and on H.R. 1618, the “Wounded Warrior Servicemembers’ Group Disability Insurance Act of 2005.” PVA appreciates the efforts of Congress to address the concerns of servicemen and women severely injured in Iraq and the toll this is taking on their families. However, we believe that there is no easy solution to the problems that these men and women are facing.

Servicemembers’ Group Life Insurance

The proposed “Servicemembers’ Group Life Insurance Enhancement Act” would require the Secretary of Defense to notify the servicemembers’ spouse or next of kin if he or she executes certain options in the life insurance plan. These options include choosing not to be insured, choosing an amount less than the maximum insurable amount, or designating a beneficiary other than the spouse or next of kin.

We do not see exactly what problem this legislation is attempting to address. It seems that this legislation is meant to prevent a serviceman or woman from making a decision that might ultimately have a negative impact on his or her family. We believe that this legislation is unnecessary because the servicemember has the individual right to make any election he or she chooses with regards to the life insurance plan. It should not be the responsibility of the Secretary to get involved with the effect of a servicemember’s election on his or here family. Despite our concerns, PVA does not object to the legislation.

Traumatic Injury Protection

PVA appreciates this Subcommittee reviewing the traumatic injury protection provisions contained in P.L. 109-13, the Emergency Supplemental bill. The legislation was meant to help servicemembers who incur a severe disability while serving this country to overcome the financial hardship placed on them and their families while they are undergoing medical treatment and rehabilitation. PVA has worked with several members of Congress to develop a meaningful solution to this problem.

However, during consideration of this legislation prior to its enactment, PVA voiced several concerns about the proposal. We believe that helping these severely injured men and women overcome the financial strain of their situation is an obligation of the federal government. We oppose any the provisions requiring the servicemember to pay a premium for this coverage.

We are also concerned about the requirements for a qualifying disability to receive a payment. The original legislation included an arbitrary list of disabilities with specified dollar amounts associated with each one. The enacted legislation eliminated this list and gives the Secretary of VA the express authority to publish regulations for determining qualifying disabilities. PVA fears that regulations outlining conditions for payment will exclude the many conditions that are presumed to be service-connected. Too often, the men and women who suffer these conditions are left out in the discussion about severely disabled servicemembers.

H.R. 1618, the “Wounded Warrior Servicemembers’ Group Disability Insurance Act of 2005”

H.R. 1618 would allow a servicemember to purchase individual catastrophic disability insurance. This legislation would allow the Secretary of Veterans Affairs to pay \$50,000 to any servicemember who elects to participate in this insurance plan and becomes catastrophically disabled while on active duty. The legislation includes a qualifying list of disabilities, and it gives the VA Secretary the authority to publish regulations to expand the list of qualifying disabilities.

PVA has long urged Congress and the Department of Defense (DOD) to provide additional assistance for the families of seriously injured servicemen and women to help them overcome the crushing burden and dislocation in their lives caused by these disabilities. However, we believe that the creation of a voluntary disability insurance plan that is paid for by the servicemembers themselves is unfair and seriously flawed. This is yet one more attempt of the federal government to relieve itself of its responsibility to these young men and women.

Although PVA understands the intent of H.R. 1618, we oppose this approach to address the problem. This proposal would require servicemembers to pay for insurance coverage in the event that they become severely injured thereby absolving the federal government of its responsibility to provide all necessary long-term care and rehabilitation. This is a responsibility that should be born exclusively by the government, not by the servicemember.

While this insurance would be available because servicemembers will be paying for it, not all service personnel are likely to opt for this coverage. This would place many of these men and women at future risk. The cost of monthly premiums for insurance fluctuates between various disability insurance plans available to average citizens. The monthly premiums would rise further as the list of disabilities and combinations of disabilities covered under the plan is expanded through changes in regulations to meet the real needs of the servicemen and women who are getting injured. The uncertainty of the cost of this coverage would surely affect participation in the plan leaving many catastrophically injured servicemen and women without coverage or carrying a larger burden for the coverage.

As PVA is well aware, no one can foretell the occurrence of a serious injury. However, what is painfully real is the impact a severe disability has on an individual and his or her family. We strongly believe that DOD cannot deny its obligation to care for these servicemen and women by helping to relieve the financial and emotional burden of their loved one's participation in their care and rehabilitation.

We believe that there are other solutions that Congress can look into that would reinforce the federal government's responsibility to assist the severely disabled servicemen and women and their families overcome the financial hardships created by their situation. PVA believes that the DOD should create a benefit much like the death gratuity for those servicemembers who incur a severe injury. This would allow for an immediate payment to the serviceman or woman and his or her family. It would also represent the fact that the

DOD has immediate responsibility for caring for that injured servicemember and his or her family.

PVA would also like to recommend another possibility to address the financial hardship problem. We believe that a solution can be achieved through the creation of an additional tier of emergency pay and allowances, much like other types of special pays, which should be provided to all service personnel who incur a significant disability and not just those who choose to pay for their own disability insurance coverage. Once again, the DOD would bare foremost responsibility for taking care of the injured soldier and his or her family. These two proposals could also be combined to address the problems the severely injured soldiers are facing.

PVA is deeply concerned by the DOD's apparent apathy towards providing needed assistance to those men and women who have sacrificed so much. In an article on the front page of the *USA Today* on Friday, June 10, 2005, it was reported that the Army will consider paying up to \$40,000 in bonuses to achieve recruiting goals. We find it hard to believe that the DOD can come up with the money necessary to pay these bonuses but cannot find the money necessary to provide much needed assistance to the severely disabled servicemen and women and their families. PVA believes this sends the wrong message both to those who have served in the military and to the young men and women who the Army is trying to recruit. The Army will find it harder and harder to bring new recruits into the military if it does not show a willingness to take care of them if they get injured.

We look forward to working with this Subcommittee to ensure that the men and women who have sacrificed so much for this country receive the assistance necessary to overcome the hardships they face. We cannot allow the federal government to pass off the burden of caring for these men and women. It is incumbent upon the Department of Defense and the Department of Veterans Affairs to ensure that these severely injured men and women get any and all assistance that they need to overcome the challenges they will forever face as a result of their disability.

PVA thanks you for the opportunity to testify today. I would be happy to answer any questions that you might have.

Information Required by Rule XI 2(g)(4) of the House of Representatives

Pursuant to Rule XI 2(g)(4) of the House of Representatives, the following information is provided regarding federal grants and contracts.

Fiscal Year 2005

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program — \$228,000 (estimated).

Paralyzed Veterans of America Outdoor Recreation Heritage Fund – Department of Defense -- \$1,000,000.

Fiscal Year 2004

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program — \$228,000 (estimated).

Fiscal Year 2003

Court of Appeals for Veterans Claims, administered by the Legal Services Corporation — National Veterans Legal Services Program — \$228,803.

John C. Bollinger
Deputy Executive Director
Paralyzed Veterans of America
801 18th Street NW
Washington, D.C. 20006

John Bollinger became Deputy Executive Director for the Paralyzed Veterans of America (PVA) in January 1992. Previously, he served as the organization's National Advocacy Director and was responsible for all civil rights disability issues affecting the members of PVA. As PVA's Deputy Executive Director, he is responsible for the day-to-day operations of the organization.

Mr. Bollinger joined PVA in 1987 as Associate Director of Legislation. In this capacity, he worked primarily on veterans' health care and benefits issues. From June 1989 to January 2001, he served on the Executive Committee of the President's Committee on the Employment of People with Disabilities. He has also been appointed by the Secretary of Veterans Affairs to serve on commissions to review VA programs for disabled veterans.

Prior to his employment at PVA, he worked for the Department of Veterans Affairs (VA) from 1972 to 1987. While at VA, he held a number of positions in the Veterans Benefits department, including veterans' benefits counselor and management analyst. From 1986 to 1987, he served as assistant to the Administrator of Veterans Affairs.

John grew up in Pittsburgh, PA and is a veteran of the United States Navy. He was retired from the Navy as an Ensign in 1970 due to a service-connected disability. He has two grown children and currently resides in Alexandria, VA with his wife, Judy.